UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

UNITED STATES GYPSUM COMPANY	 FE DOCKET NO. 99-78-NO

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1534

OCTOBER 28, 1999

I. DESCRIPTION OF REQUEST

On October 15, 1999, United States Gypsum Company (U.S. Gypsum) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA), and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import up to 7,300,000 MMBtu² of natural gas from Canada over a two year term beginning November 1, 1999, and extending through October 31, 2001. U.S. Gypsum's principal place of business is in Chicago, Illinois. The firm is a manufacturer of wall board and other products with plants located in more than 20 states. U.S. Gypsum intends to import natural gas from Canada for use by it or its affiliates in the United States. The proposed authorization does not involve the construction of new pipeline facilities.

II. <u>FINDING</u>

The application filed by U.S. Gypsum has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import of natural gas from a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by U.S. Gypsum to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section

^{1/ 15} U.S.C. § 717b.

^{2/} One MMBtu is equal to approximately one thousand cubic feet (Mcf).

^{3/} October 31, 1999, is the expiration date of U.S. Gypsum's current blanket authorization, granted by DOE/FE Order No. 1324 on October 31, 1997 (1 FE¶71,478).

3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. United States Gypsum Company (U.S. Gypsum) is authorized to import up to 7,300,000 MMBtu of natural gas from Canada over a two-year term beginning November 1, 1999, and extending through October 31, 2001. This natural gas may be imported at any point on the international border between the United States and Canada.

B. With respect to the natural gas imports authorized by this Order, U.S. Gypsum shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, U.S. Gypsum must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the United States transporter(s); (5) the point(s) of entry; (6) the geographic markets(s) served (by state); (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

[OMB No.: 1901-0294]

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C. The reports required by Ordering Paragraph B of this Order shall be filed with the

Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy,

Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S. W., Washington, D.C.

20585.

D. The first quarterly report required by Ordering Paragraph B of this Order is due not

later than January 30, 2000, and should cover the period from November 1, 1999, until the end of

the fourth calendar quarter, December 31, 1999.

Issued in Washington, D.C., on October 28, 1999.

John W. Glynn Manager, Natural Gas Regulation Office of Natural Gas & Petroleum Import & Export Activities Office of Fossil Energy